WATER QUALITY MEMORANDUM

Utah Coal Regulatory Program

May 11, 2007

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TO:

Internal File

THRU:

D. Wayne Hedberg, Permit Supervisor

FROM:

David W. Darby, Senior Reclamation Specialist/Hydrology

RE:

2006, 4th Quarter Water Monitoring, Plateau Mining Corporation (PMC), Willow

Creek Mine, C/007/0038-WQ06-4, Task ID #2623

The Willow Creek Mine is in reclamation. The mines have been closed and sealed. The disturbed areas around the portals have been regraded to AOC and seeded. The most recent surface operations took place in Willow Creek Canyon, about a mile from the junction between U.S. Highway 6 and State Highway 191. The reclaimed area in Crandall Canyon is also part of the Willow Creek permit area.

This report was prepared based on information in File: O:\007038.WIL\Water Quality\datacheck2006-2007(1).xls. There are no ground water sites monitored during reclamation the phase.

1. Was data submitted for all of required sites?

Under the reclamation plan, surface water monitoring is required for sites listed in Exhibit 7-3 and shown on Map 15.

Springs

There are no springs monitored for reclamation.

YES [] **NO** [] NA

Streams

There are six surface water monitoring sites. Sites B3N (Willow Creek above power plant), B-5 (Price River below processing plant above Willow Creek), B-6 (Price River above coal processing plant), B25 (Crandall Canyon Creek), B26 (lower reach of Crandall Canyon) and B151. The reclamation sampling water quality list is presented in Section 13, p. 28. Sampling is conducted quarterly. PMC tries to monitor the sites within a two week period from March 15th, June 10th, September 5th and November 30th to attempt to collect data that coincides with first thaw, Spring high flow, end of Summer low-flow and last sample before freeze-up.

YES [X] NO []

All required stream sites were reported for the quarter. Sites B25 and 26 in Crandall were monitored on November 27, 2007, showing no flow for both sites. Sites B155, B3N, B5 and B3 were monitored December 15th.

On December 3rd the material in the Crandall Canyon #2 Return Air shaft settled approximately 465 feet. Permittee began backfilling the shaft with earthen material, which caused a large unmeasured volume of water to overflowed the shaft and discharge into Crandall Creek. PMC immediately abated the backfilling activities, collected water samples (from the mine shaft) and contacted the agencies involved with mine permitting and water quality protection. PMC is working with federal and state agencies to develop plans and resolve the situation.

Wells There are no operational monitoring wells.

YES [| NO [] N/A

UPDES One UPDES site, Pond UTG040012-001, is monitored monthly in accordance with UPDES requirements for discharge to Willow Creek.

YES [X] NO [] No discharge from the pond.

2. Were all required parameters reported for each site?

Springs YES[] NO[] NA

Streams YES [X] NO [] B-25 and B-26 reported no flow.

Wells YES[] NO[] NA

UPDES YES [X] NO []

3. Were irregularities found in the data?

Springs YES[] NO[] NA

Streams YES [] NO [X] The flows and water quality on Willow Creek and Price River

at the sites above and below the minesite are almost identical.

Wells YES[] NO[] NA

UPDES YES [] NO [X]

4. On what date does the MRP require a five-year resampling of baseline water data.

Not specified in MRP. It should be updated at Mid-term or Five Year Renewal.

5. Based on your review, what further actions, if any, do you recommend?

Keep informed of the events occurring at the reclaimed Crandall Canyon mine site.

Does the Mine Operator need to submit more information to fulfill this quarter's monitoring requirements? [] Yes [X] No

6. Follow-up from last quarter, if necessary.
Did the Mine Operator submit all the missing and/or irregular data (datum)?

None required.

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